

Message Text

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51 44

ACTION ARA-10

INFO OCT-01 EUR-08 IO-04 ISO-00 AEC-05 ACDA-05 CIAE-00

INR-05 L-01 NSAE-00 NSC-05 RSC-01 SCI-02 FEAE-00

AID-05 SS-15 SAJ-01 DRC-01 /069 W

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R 181235Z OCT 74

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 6066

INFO AMEMBASSY BONN

USMISSION IAEA VIENNA

USMISSION EC BRUSSELS

AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

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C O R R R E C T E D C O P Y (EC BRUSSELS ADDED AS INFO ADDEE)

E.O.11652: N/A

TAGS: TECH, BR

SUBJECT: GERMAN ASSISTANCE TO GOB IN NUCLEAR FUEL CYCLE

REF: BRASILIA 7476

CONGEN RIO REPORTS FOLLOWING ADDITIONAL INFORMATION
REGARDING KWU VISIT REPORTED REFTEL:

1. GERMAN MISSION CONSISTED OF 8 HIGH-LEVEL EXECUTIVES FROM KRAFTWERK UNION (KWU) AND ONE REPRESENTATIVE FROM THE GERMAN MINISTRY FOR SCIENCE AND TECHNOLOGY. REPORTED PURPOSE OF MISSION WAS TO OFFER TO GOB SOFTWARE NECESSARY FOR IMPLANTATION OF INDUSTRIAL COMPLEX RELATED TO THE NUCLEAR FUEL CYCLE, RANGING FROM URANIUM MINING TO FUEL REPROCESSING. PROPOSAL PROVIDES FOR SEPARATE CONTRACT, APART FROM EXISTING NUCLEAR BILATERAL AGREEMENT BETWEEN BRAZIL AND GERMANY, AND INVOLVES GOB INVESTMENT ON THE ORDER OF A FEW MILLION DOLLARS (PROBABLY NOT MORE THAN TEN).

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2. THE GERMAN PROPOSAL, WHICH HAS REPORTEDLY BEEN PREPARED ALONG THE SAME LINES AND SPECIFICATIONS AS THOSE CONTAINED IN THE DOCUMENT PRESENTED BY BRAZILIAN AUTHORITIES TO USAEC PARTICIPANTS IN THE NUCLEAR ENERGY SEMINAR RECENTLY HELD IN RIO (SEE RIO A-118 OF SEPTEMBER 25) IS SAID TO HAVE BEEN PRESENTED TO GOB BEFORE GERMAN MISSION VISITED BRAZIL, AND THE GERMANS REPORTEDLY HAD EXPECTED TO SIGN THE CONTRACT DURING THEIR STAY HERE. SOME DISAGREEMENT RELATED TO COSTS, HOWEVER, REPORTEDLY CAUSED DEFERRAL OF FINAL DECISION. APPARENTLY, BRAZIL HAD EXPECTED THAT GERMANS WOULD OFFER PART OF THE DEAL WITHIN EXISTING NUCLEAR AGREEMENT BETWEEN THE TWO COUNTRIES, I.E., FREE OF CHARGE.

3. SOURCE WHICH PROVIDED ABOVE INFORMATION STATED THAT HE DOES NOT KNOW WHETHER SPECIFICATIONS CONTAINED IN DOUCMENT PRESENTED BY GOB TO AEC OFFICIALS WAS EXTRACTED FROM ORIGINAL KWU PROPOSAL OR WHETHER SPECIFICATIONS HAD BEEN PREVIOUSLY SET BY CBTN/CNEN. HE CONFIRMED, HOWEVER, THAT SPECIFICATIONS IN BOTH DOCUMENTS ARE IDENTICAL. HE ALSO CONFIRMED THAT MATTER IS BEING HELD STRICTLY CONFIDENTIAL WITH GOB.

4. EMBASSY COMMENT: REPORT THAT CONTRACT IS BEING CONSIDERED BETWEEN BRAZIL AND FRG MAY INDICATE THAT GOB IS ACCELERATING TIMETABLE FOR COMPLETION OF CBTN PROJECTS ON FUEL CYCLE. IF DEPARTMENT AND AEC CONCUR, WE WILL FOLLOW UP WITH CNEN ON GOB REACTION TO AEC CHAIRMAN RAY'S LETTER WHICH WE INTERPRET AS PRELIMINARY AND PARTIAL RESPONSE TO GOB PROPOSALS CONTAINED IN DOCUMENT MENTIONED IN PARA 2 ABOVE AND WHICH INVITED BRAZILIAN TEAM TO WASHINGTON TO DISUSS SPECIFIC PROJECTS. GOB DOCUMENT CONTAINS LONG LIST OF PROPOSALS AND SUGGESTIONS, SOME WITH POLICY IMPLICATIONS FOR USG. WE ASSUME DEPARTMENT IS COORDINATING OVERALL REACTION WITH AEC AND OTHER INTERESTED AGENCIES.
CRIMMINS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR AGREEMENTS, INDUSTRIAL PLANTS, NUCLEAR FUELS, FOREIGN ASSISTANCE, PROPOSALS (BID)
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BRASIL07957
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740297-0516
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741037/aaaabfax.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: BRASILIA 7476
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 26 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 MAR 2002 by elyme>; APPROVED <22 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GERMAN ASSISTANCE TO GOB IN NUCLEAR FUEL CYCLE
TAGS: TECH, BR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005